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Interview no. 100

Paul C. Davidson

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UNIVERSITY OF TEXAS AT EL PASO

INSTITUTE OF ORAL HISTORY

INTERVIEWEE: Paul C. Davidson

INTERVIEWER: Patrick Quinn

PROJECT: El Paso History

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TRANSCRIBER: Patrick L. Quinn

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BIOGRAPHICAL SYNOPSIS OF INTERVIEWEE:

El Paso Lower Valley farmer.

SUMMARY OF INTERVIEW:

Aspects of Lower Valley history, including the effects of the expansion of the city of El Paso; changes in crops grown in the area.

1 hour (3 3/4 tape speed); 22 pages.

Q: Mr. Davidson, let's start out with some biographical information, like when and where were you born.

D: Well, I was born here in Clint on December 16, 1908. My mother and father, when they were married, come to this country in 1907. I was born less than a mile from where I live now.

Q: Where were your parents from?

D: My father's people originally came from Arkansas. My mother's people came from Scotland. My mother's people lived in the little town of Glenrose, which is some 70 to 80 miles south of Fort Worth. My father went to school at the old Trinity University which used to be in Waxahatchie. It's now in San Antonio. When he and my mother were married, he studied civil engineering. So he came to this country...this was virgin country in those days. Nearly all of the valley was in mesquite brush. The El Paso paper prints a column every day, Fifty Years Ago Today, and so forth. A few years back they printed a column where my father had shot a coyote in front of Edgar D. Brown's store, which was right here in Clint. So, the animals came right into town. You could go within a quarter of a mile of the little town of Clint and get a mess of quail almost any day.

Q: You can't do that anymore.

D: No, you can't. When they brought the automobile in, why, people out of El Paso flocked down to the valley in such numbers that they soon wiped out the quail population as far as there being enough to get all you wanted any time. During the first few years my father was here, he worked in a grocery store and also ran a hotel. In those days, so I'm told, the hotel was a pretty important place because everything was based on the railroad. The roads that we had here were gravel roads. There were no phones in those

days and the railroad was the main thing. The result is, hotels did well because people would come in by rail and there was no place for them to stay. They couldn't get in a car and go 50 or 60 miles to find a place in El Paso. So every little town had its own hotel or inn where people could stay. He run those. They turned me over to a Mexican lady and as a result I spoke Spanish before I did English. I'm very proud of that because I spend a good part of my life with the Mexican people. At one time, when I was so close to them, I did all of my thinking in Spanish. As I got further away from them I reverted back to thinking in English. That shows how close you can get to people.

Q: That's true. Especially around here where you need it.

D: That's right. After my father had been here several years he started leveling land. His college education...I don't think he ever finished college. He probably went two or three years. He studied civil engineering, so he got into the land leveling business, and he helped put in a number of the farms around Clint. He gradually acquired farms of his own. We used to live on a farm. I guess when I was five or six years old, we moved to a farm that was a mile and a half to two miles from Clint. We had a road that we used to get from Clint to our home. It would go in and out among the mesquite clumps. There was very little land between here and San Elizario, and between here and Ysleta, here and Fabens, that was cleared. It was just spots here and there. People would buy some land and clear away the mesquite bushes, level it a little bit, and run water on it.

Part of the reason was there wasn't more in there was, in those days there was no Elephant Butte Dam. The Elephant Butte Dam, if I recall

correctly, was started around 1915 or '16. Until that time, the only time people had water in this valley was when there were rains up in the Black Range in New Mexico or up in the upper valley and a flood of water would come down the Río Grande. That's all the water they had. If they had a dry summer, why, nobody could raise anything. Everything dried up. Just prior to 1918 and World War I, they put in the Elephant Butte Dam. That gave them a supply of water that was dependable. As a result, people started buying up land and leveling the whole valley. It was soon put into cultivation.

Q: What kind of crops did they have here at first? Was it cotton like they have now?

D: No. Cotton...I can't tell you exactly which year, but the first cotton was grown in this valley on what they called the old Well's farm, which was just about a mile from Clint where you turn off to what is now the Surrat Feed Mill. I think that was planted in 1917 or '18. They tell the story that the way they got on to cotton here was that some family moved from around Waco, Texas, where cotton was well established. They come out in a wagon and the wagon had the usual seat on it, made out of lumber. It was pretty hard so the fellow that was bringing his family out here went out and filled it with cotton seeds to make it a soft place to sit. When he got to Clint he wondered how cotton would do here. He planted some cotton and it did so much better than it did in Waco that other people noticed it. Of course, cotton got to be fairly high priced following the first world war. So, all of a sudden the valley just almost turned to cotton because there was a demand for the seed and there was a demand for the fibre and it was more profitable than any other crop that ever had grown before. In fact, I guess you could say the actual development and the first prosperity of the

valley was a result of cotton. It's been that way almost ever since.

Of course, alfalfa was always an important crop, too. In the early days there wasn't a dairy industry as we know it, and most families depended on the family milk cow in order to have milk, butter and so forth. They even made cheese. They needed hay to feed their cows. And of course that was the horse and buggy days. Cars had not become commonplace down here then, there were just a few of them. I can remember when I was a little bitty fellow, that we would get our buggy and go driving on Sunday and half of the cars we'd see were all stalled. They'd have the hoods lifted up and people would be tinkering with them, trying to get them started again.

Q: There were bad roads, too, I guess.

D: Oh, yes. They were gravel roads, woodchuck holes in them. Of course, cars weren't dependable in those days. They were new and very few people knew how to take care of them. The engines would die or maybe dirt would get in the fuel. All they'd know to do was sit down and... Lots of them would have a team of horses or mules to pull them in someplace because they couldn't get them started. Incidentally, talking about the cotton industry here, I told you that my father's people were plantation owners in Hope, Arkansas. They had over 100 slaves because that was the only kind of labor they had. They were very proud of the fact that they had located their plantation gin alongside of a river so that the seed would fall in the river and wash away it out and they wouldn't have to haul it off and throw it away. Then, in contrast to that, by 1943, '44, '45, we had the highest price that I recall for cotton seed in this country, \$120 a ton.

Q: Here in the valley?

D: In the valley. Which is six cents a pound. Yet 70 to 80 years before that

they dumped it into the river to get rid of it. Now, over a period of years they learned to get the oil out of it and use the meal for livestock. In fact, that has become so important in the production of beef and dairy products and the soybean meal in the production of poultry and swine that right now there is a world shortage of protein. Cottonseed meal that was worth \$70 a ton last year in Memphis got as high as \$260 or \$270 a ton--over four times as much. Now, you asked something about what crops were before we got cotton.

Q: Did they have a lot of grapes down here?

D: They didn't have too many grapes. Of course, when the Spaniards come into this country, they were great people for wine. They would plant vineyards wherever they would set up a church or a mission. I understand that they planted enough grapes to produce the wine that the people wanted. But it was never an industry like it is in California, like it is in parts of Italy and France. In other words, they would produce it for their own use. Of course, I presume that's the way all things were, back several hundred years ago.

I can remember that we produced mostly wheat and very little corn. Corn doesn't do very well in this country, but we always produced some to have cornmeal. We also produced alfalfa. We also produced, at times, pinto beans. In those days, when you went to the store, you only bought staples. There wasn't any such thing as a TV dinner. And if you bought prunes or dried vegetables, they'd either come in barrels or big boxes. They were not packaged. Most people bought only what we call staples. They would buy coffee, sugar, maybe dried peas or beans, and dried salted fish. Of course, at that time, they began to get a certain amount of canned goods. But we didn't buy too many canned goods because the women in those days grew gardens

and had orchards. They would put up large quantities of different kinds of fruits and vegetables. We'd make sauerkraut. We made our own soap. We'd kill the hogs, take the lard, add lye to it, and I don't know what else, but we'd turn it into soap. People were pretty self-sufficient in those days. But they would buy, for instance, fish. We didn't have fish here so we would buy salt mackerel and dried salt codfish, lots of foods like that. But generally speaking, we planned on producing all of the food we wanted right at home.

I can remember there used to be a mill in San Elizario, a flour mill. I remember when I was a little bitty fellow we would load a sack or two of corn and wheat and take it over to the mill. They would give us in return so much flour and so much corn meal. Then we'd take care of that and try to keep the weevils out and it'd last until next year. So that's the way we lived. It wasn't too bad a way to live either. The kids in those days, kids didn't get into trouble because they were too busy. The children were expected to help milk the cows, take care of the garden, gather the eggs, feed the chickens and the turkeys, and we produced all of our own eggs and poultry. We had our own gardens. We ate those vegetables fresh and then we canned them, and we dried them. We would dry peaches and apples and can them, too. We would grow cabbage, which we made into sauerkraut. We bought very little except maybe salt, sugar and the things that we couldn't grow. To do that we could keep enough milk cows that we could make enough butter. I was pretty young at this time, about six or seven years old. One of my jobs was not only to milk the cows but to skim the cream off, churn it, and make it into more or less pound-size cubes of butter. We would take that to the store and they would pay us so much for it and give us credit on

the books and that would pay for the sugar and everything. It didn't take too much money to live on then. When money got scarce, it wasn't any problem.

Q: Did World War I affect the valley in any way, as far as producing more food?

D: Oh, yes, I think it did. Of course, the main thing that affected the valley was the building of the Elephant Butte Dam. But, you see, Juárez had a garrison and Fort Bliss was a Cavalry post, so they used a great deal of alfalfa. Of course, once we got this water out of the dam, we could raise lots of everything. Before, we just hoped that there would be some floods. If it didn't rain someplace there wasn't any water here. There wasn't any place to store it and get it when you wanted it. But once you got that water where you could get it when you wanted it, then the valley really got going and it wasn't too many years before every bit of it was in production. Of course, the cotton made so much money because they could produce big crops of cotton here, bigger crops than they could nearly anywhere. Later, of course, it went on to California. They found out that under irrigation, cotton was produced much better. And /irrigated cotton/ was of a much better fibre than it was when it was produced under rainfall. Where they had stresses and didn't have the water, the cotton didn't do as well. Of course, in still later years, a lot of people claimed they liked the rainfall cotton better. But I think that was a buying gimmick. I never knew of any specific reason why rainfall cotton was better than irrigated cotton. But once /the dam/ got developed, specialization started.

Q: /Is this specialization in growing selected crops by each farmer?/

D: Yes. Of course, the railroads, highways, and the truck industry... You see, the truck industry started in World War I. Nearly all development is brought on by war. When you want to win a war and the people go all out, they'll develop new things, no matter how much they cost. Then when the

war is over they will find new ways to apply them to consumer and business needs. But the development of the valley and cotton, you see, we could produce a lot better cotton than other areas. And with transportation it got to where we could specialize. In other words, for example, some areas could grow wheat better than we could. Since they had a way to ship the wheat in real quick to us, we would grow cotton and ship it to them. It was an exchange. As I say, when I was a kid, everybody kind of took care of themselves. They didn't need any money. You know, in México today, there's still lots of that. If you go down to Morelia, the Pascuado area and through there, they have Indian markets and not too much money trades hands. They trade for food and they get along pretty good. They don't have any heart attacks, they don't worry over things or have any bills to pay. It's not bad.

Q: How did the Depression of the thirties bother us here? Was it really severe down here in El Paso and El Paso County?

D: It was severe, I guess, everywhere. I was in Houston at that time. I had just finished the University of Texas and got a job with Texaco in Houston. It was a pretty good job. I got \$125 a month and I figured that I would get a couple of raises a year and do real good by 1935. What actually happened was in 1932 the company lost 40 million dollars and they cut salaries. I hadn't had a single raise by then. I went to work in January 1930, and in 1933 they cut everybody from the janitor to the president by 10 percent. So, after working for three years, I was making \$112.50 instead of \$125. It's hard for young people these days to realize how tough that Depression was. Everything slowed down. Everybody thought that if they could just go to some other place they'd sure find a job. But everybody

lost out--miners, architects, engineers. In fact, in Houston I felt awfully lucky to have this job because there wouldn't be a week go by that we didn't have several suicides. People would leave a note saying, "I've got a wife and two babies. We don't have any money but I've got \$2,000 of life insurance. Take care of them." That's a fact. I'd have these friends come in, lots of them were older than I was. They had worked in México. Everything in México started closing down. They were experienced as engineers. They would come to Houston and offer to do anything. I don't think people know today what really caused that. They got in a bind and it took them a long time to get out of it and get things going until they got involved in this other war.

Q: Did you go to school down here? Did you finish high school here?

D: Yes. We had schools here. Of course they were a far cry from what we've got now. The school they had here was located only a block from here. It was a yellow building with two rooms. They had seven grades of grammar school in one room and they had four years of high school in the other one. They had two teachers--usually a woman that taught the seven grades of grammar school, and a man, who was usually the principal, who taught the four years of high school. There weren't too many people going to school. I would presume maybe, 35, 40, or fifty. But there wasn't time to do anything but teach them reading, writing and arithmetic and a little geography and history. And they had to depend on getting all that at home. I think it was a good system because the parents made you get your book out every night. We had kerosene lamps. There wasn't any electricity here, yet. We would study and our parents would help us. Then we would go to school and recite. That is all we would do. But the kids were kept busy enough between studying at night and doing their so-called chores of helping milk the cows and taking

care of the chickens and the garden, that they didn't have any time for dope or trouble because they were too busy. I think that's what gets our kids into trouble nowadays. They're not basically bad kids, they just haven't got anything to do.

I remember that when I was a kid we used to have a saloon and pool hall here in Clint. My people would always tell me, "Now, you stay away from that saloon and you stay away from that pool hall. If any trouble comes, you get away from there." Nowadays the parents say, "You need to get involved." Well, a lot of them do get involved and they get into some pretty big trouble, too. We were taught to stay away from trouble and tend our own business. No one would think of starting a lot of trouble in school. Later, when we were fortunate enough to go to college, we wouldn't contradict the authorities. We were glad that we could go to college, because not many people got to go. It cost quite a bit of money in relation to the amount of money that people had in those days. The result was that we felt very privileged to get to go to college.

Q: When your dad first started farming here, was it very hard times at first?

D: Oh, it was hard times. As I say, the first thing you do when you buy a piece of land... Believe it or not, land was fairly high. I think he paid \$100 an acre for the first land he bought in this valley. He was in the land leveling business; that meant he bought horses and mules. He'd start out by paying people to dig out the mesquite stumps. He would sell those for wood. In those days, we didn't have much natural gas, if any. People depended on coal and wood for their fireplaces and wood stoves to cook on. You could sell that wood and get back part of the money that it cost to clear the land. People would come down from El Paso and buy

mesquite wood.

Q: We were talking about how it was when you were getting started farming.

D: After you got all the land grubbed, which meant getting all the roots out of there, it would have to be leveled so that the water would be run over it smoothly, and some ditches would be brought to it. Prior to the Elephant Butte deal, each person either had to go in partners with someone or build his own ditch, because there was no regulation of any kind. There was lots of trouble about that in those days. I used to hear stories when I was small about people sitting out on a ditchbank with a 30-30 daring anybody to get the water. And sometimes the fellow was tough enough even if he didn't have the right to get the water. He would get a couple of his friends and get out there with a rifle and dare anybody to stop them. When the government came in they took over the whole thing. And the Reclamation Service, which is part of the Bureau of the Interior, set up the rules and regulations. They had a little trouble trying to get the people to respect the rules but they finally got it to where it worked. Then the people were able to get dependable supplies of water.

Once they got dependable supplies of water, the people weren't afraid to throw money into making new crops because they knew that they had the water. Before, if you spent very much money trying to do things, you didn't know whether you would get any water, and if you didn't, you would lose everything you put into it. But once you knew you had the water you weren't afraid to spend money leveling and fixing things up. That was what really made the valley. There was also a real good market for alfalfa. They would ship it out of here to different parts of the country. By that time the railroads were well developed. So what made it was the water, the higher

priced cotton, and the ability to grow lots of alfalfa. Then people quit raising wheat and as the stores were able to handle vegetables they got away from raising vegetables. They even got away from making butter and taking care of the cows because it was better to let someone else do that so they could spend all of their time growing cotton. In other words, we gradually evolved from a family unit that was self-subsistive and produced very little for other people, to family units that put all of their efforts into one or two crops and then depended on the other people who specialized to do the other.

Q: I guess cotton was the king here for a long time. Lately, I've noticed a lot of farmers getting out of cotton and into pecans or other industries such as poultry and things like that. What is the reason for this?

D: There are two main reasons. Back in the mid-30's, during the Depression, cotton got so cheap that nobody could grow it and break even. So the government came in with loans to try and bolster the thing up so the government got into the business. It seems like any business the government gets into they eventually foul it up to the point where it doesn't work anymore. It isn't because they don't try, but it's because a certain amount of it is politics and a certain amount of it is facts that they just don't know. You are seeing that right now. They put on a ceiling just a few days ago to try to hold down prices. You know find farmers killing baby chicks, destroying eggs, one thing or another under the rules that they can't break even. They don't want to lose a lot of money. So what do they do? They say, "It's cheaper for me to destroy this stuff than it is to go ahead and lose more money. I lose so many thousands if I destroy it but if I go on, I will lose twice as much." So they quit. It's awful hard for the

government to figure out all these things. Our government is getting so big that they just can't do that.

That is part of what happened to the cotton business. For instance, just to give an example, in 1952 I made a trip to College Station to meet with the state committee that handled cotton allotments. We wanted to produce a lot more cotton. We were then operating in Pecos and cotton was worth a lot of money. We had a report put out by the Anderson-Clayton Company, which was the largest cotton company in the world, with the message that there was a world shortage of cotton. The world needed all the cotton that we could produce. I think that was in 1952. We got down there and this committee had no authority except maybe to send our suggestions to Washington. When they got through they said, "No, you can't produce any more cotton." Cotton got so scarce that fall that Congress put an embargo on cotton. This embargo meant that they would not let people that sold the cotton overseas ship the cotton. Of course there were many people overseas who had spent many years in the cotton business. They would always depend on us to furnish them with the cotton because we were the largest cotton producing country in the world. And all of a sudden the government limits how much we can plant. They decided that there was not enough to take care of anybody but ourselves so they told these people, "No, you can't have that cotton." We have the same thing going on right now with soybeans, cottonseed meal, and the protein things. I can show you a report I got today out of Chicago where the people overseas are very angry at us because they depended on us for a bunch of stuff and we have cut them off. The reason is because we are getting short over here. But when the government got into this cotton thing, they made a lot of people overseas mad

at us. The result was that those people said, "Well, if everytime you get in a jam and cut back and decide to let us do without, we'll go to Central America, México, South America, or Africa and set up cotton growing there." They did that. The result is that we're producing a lot less cotton than we did many years ago.

Q: That happened in Egypt, didn't it?

D: That was a different type of cotton. That's why they call it the pima, Egyptian, or the long staple cotton. That was the thing that hurt our cotton industry worse than anything else. There were other problems. One was some diseases that got here, such as Vermasilium Wilt. It was a fungus growth that would get into the plant and around August the leaves would fall off. The plant wouldn't die but it would get so weak that it would hardly put out any cotton. The yield fell over 50 percent. That hurt, too. Then in 1951 we started running short of water and that hurt. The main thing was when we quit supplying our old customers due to the embargo. They got to where they didn't trust us. So they started looking in other places for the cotton. Also our labor costs got higher and higher. They could go to other places in the world and hire people much cheaper. Once they got our technology, which is the know-how to do these things, they could use that cheap labor and undersell us. Today we can't grow cotton anywhere near as cheap as other countries.

A lot of people complain about the subsidies that the farmers are getting. There is quite a story about farmers getting subsidies and driving in Cadillacs. This has been bad publicity. The government pays the farmer a subsidy because they know that under present conditions the farmer cannot produce that cotton if the government doesn't pay him that subsidy. Cotton

is one of our few farm products that is a dollar earner abroad. Most of our industrial people have priced themselves out of the market with their high wages. Of course, no one can blame the industrial people for getting all the wages they can. Yet, when they price themselves out of the market to where they can't ship overseas, then, unless you are going to have a continuing unfavorable balance of trade, someone in the country has to be able to produce something that will sell overseas. Right now the farm economy counts for the big part of our overseas sales and cotton is one of the larger ones. In other words, we can still sell cotton. But to sell it at world prices, someone has to come in and give the farmer some money so he can break even or make something. If they were to stop the subsidies that they are putting out now, you would find that cotton production would fall off over 50 percent in the next year. It may fall lower than that because you can't produce it for what you have to sell it for. That's not unusual.

I do a lot of traveling and in 1957 I went to Russia. It took months to get visas and permission from the Russian government to go. When we went over there, we were very surprised to find out that hogs in Czechoslovakia and Poland were selling for a lot more money than they were selling for in the United States. Yet they were shipping canned ham over here. How in the world do you pay more for hogs and still ship ham over here and sell it cheap? The reason was that the government took care of the loss. That's what our government is doing with cotton. Czechoslovakia and Poland needed dollar exchange and their governments were willing to pay their farmers a subsidy to produce pork so that they could sell ham over here. We are doing the same thing with cotton. Nobody pays the subsidies because

they love the farmer. They pay them because they want to get the production. When anything gets to where people can't make any money, they just quit growing it. That's exactly what we are getting into in beef, eggs, and certain other products. So if it gets to where they can't make money you either have to change it or pay a subsidy.

Q: That's how it is here now, isn't it? They are getting out of cotton and into other industries.

D: They are getting out of cotton because they have been able to do better in other things. In other words, with this grain price as high as it is, you will see more barley planted here. A lot of people up and down the valley used to come and hand gather the cotton. They don't do that now and the farmer had to get machines. The machines cause a lot of cotton to be wasted. The machines don't do as good a job as hand picking therefore the cotton is worth less. Yet it costs a lot of money to keep up these machines. And it's got it to where people aren't as interested in cotton as they used to be. If things go just right people can still make money out of cotton with the subsidies that they get. But a lot of them are finding out that they are better off without the cotton. If the price of alfalfa and grain stay up we will find a lot more of that than we did in the past.

Q: Let's talk about the relations that some of the farmers have had with the city and the county. How has the urban expansion effected you and the farmers?

D: I think it only effects them when they get into the city limits. When they went into the Ysleta area there was a great deal of dissatisfaction because the city raised the taxes. They were not able to immediately supply sewage and a lot of the services that went with it. That's just the normal pains

of expansion in a city. A lot of us are disappointed to see a lot of the valley areas going into subdivisions. Farmers like to grow things, that's part of their lives. They hate to see all of this valley go, but if somebody comes down and says, "I'll pay you \$2,000 an acre for this land because people want to buy an acre," you can't blame them for selling.

On the other hand if that could be planned and those people could go out on the mesas, you could still preserve these things. Of course, if they get enough of that someday we may find it all going back to farming. Things change and these cities are not permanent. It doesn't make any sense but they are even talking about bringing water out here from the Mississippi. That sounds like a very foolish thing. But now you go to a lot of expense to plant. I told you that they used to throw cotton seed away, then it got to where it was worth \$120 a ton. I don't know what it will be worth this fall, but with protein prices that way they are now, cotton seed will be very expensive. If people ever need the food that's grown here, it won't make any difference what it costs. People will pay anything before they starve. We won't have anything like that for another hundred years or something like that because I think President Nixon just got through saying in his speech the other day that they were putting another 40 million acres into crops. They haven't been paying land owners not to plant things. The reason for that is because everybody likes to eat. They like clothes, automobiles, and other nice things. They can do without those but they can't do without something to eat. So the government is very anxious to see that farm people don't go out of business.

That is the reason for these subsidies. If you let the thing go unregulated, they produce so much stuff that they don't make any money. The

first thing you know, banks won't finance these things. So the people will quit doing it. You could run into a situation where you run quite short of food. I don't think it will happen in this country anytime in the near future because we have the world's greatest technological machine when it comes to agricultural production. That was brought about by the creation of the land grant colleges about a hundred years ago. Someone was farsighted enough to see that if you set up colleges in every state they could learn to produce more and better food with less effort. The result is that there is no place in the world that produces as much food for as little effort as this country. We are the best fed people in the world. Also it takes a smaller percentage of each person's income to buy his food than any other place in the world.

Q: Even when there is inflation and high prices?

D: Yes. That's an interesting thing about this inflation. Did you know that in most areas of the world meat costs more than it does here? Well, in New Zealand meat is cheaper than it is here. When you get to Argentina or Uruguay the meat is cheaper there. But when you get into Western Europe--Italy, Germany, France, Switzerland--and particularly in Japan, it's much more expensive. That changes things tremendously.

We have an unusual thing that's been happening in the world in the last 20 years but it's come into real focus in the last two or three years. I used to wonder why I saw so many people traveling overseas, mostly Americans. I hardly saw any people coming into this country. I always figured we were always too high priced but that wasn't the reason. The reason was that the other people didn't have the money. That has changed. In the last two years the dollar has gotten to where it isn't worth much. We

have spent too much money overseas. We used to have what they called the Gold Standard. That meant if you had a \$20 bill you could go to a bank and say, "I want a \$20 gold piece." Later they said, "We're not going to do that." Franklin D. Roosevelt did that in 1932. He took us off of the Gold Standard. He said, "We will give you silver." Then it got to where they didn't even give you silver. Finally they would give you gold out of the central bank and between countries. In other words, at the end of the year, say with México, we sold many millions of dollars worth of stuff to México and they sold many millions of dollars worth of stuff to us. If they owed us they'd give us gold and if we owed them, we'd give them gold. The United States got to where it didn't have enough gold because it spent too much money. Finally, everybody got to where they had a lot of American dollars. They couldn't get gold or silver /for their dollars/, so what are they going to get? It's just like you going to México and bringing back a bunch of pesos. They will take them here because they can go to a bank and exchange them. But if you go to Chicago or someplace else and try to spend those pesos, you won't be able to spend one of them. Nobody will take them. They'll say, "No, I can't use those pesos."

That's the position those people are in overseas. They have all those dollars and they can't get gold or silver for them. There is only one thing that they can do--they can either sell them to somebody at a discount or come over here and buy something. Today, not only do they make a lot of money but they have a lot of money in their pockets where they didn't have it a few years ago. Dollars are cheap compared to their money. So now they can vacation over here and spend money on our stuff. That's causing part of our shortage. They are actually in better shape, financially, than

they ever have been in the history of those countries. That is particularly true about Japan and France. I think that is the main trouble. Of course, they want to eat good, too. That shows up in beef, as far as farm commodities are concerned. Another interesting thing that people aren't familiar with is the fact that the world depended on, for many years, the fish meal out of Peru for protein, for poultry. All of a sudden the fish off the coast of Peru disappeared. Some people think that they went further out to sea. But some people are afraid that they fished out a lot of their fish. So they quit fishing down there. The people who produced eggs and poultry, when they couldn't get any fish meal for protein, came to the United States for soybean meal.

Q: Is that what you are using in your operation?

D: You have to use soybean meal for poultry and hogs. Cottonseed meal has gossypol in it. Gossypol, as far as hogs are concerned, will kill them. As far as poultry is concerned, it won't kill them but it will cause the eggs to be mottled and dark. So you can't use much cottonseed meal if you are producing eggs because it makes an unsatisfactory product. There is nothing wrong with it except that it doesn't look good. And if it doesn't look good, people won't eat it. That is an interesting thing about people. We can send wheat to areas of Asia where they eat rice all of the time and people will actually starve before they will eat any of the wheat. They will suffer malnutrition before they change over to a different food. The same thing with eggs. If you get the color wrong on an egg and the people won't eat it. I remember traveling in parts of the world where the only eggs they ate were gathered on the farm instead of regular production. Sometimes the eggs would be almost red. I couldn't eat them. One would

be pale yellow and the next one would be red. And hell, I just wouldn't eat them! (Laughter)

Q: It's the same as a white egg.

D: That's right, but it looks different. That's a peculiarity about people. That has to do with their eating habits and food habits.

Q: What about the future role of the farmers in the valley? Is farming going to expand further or will it be cut down with the growth of the city?

D: It has to cut down for the simple reason that they haven't got the land. A lot of it is determined by water. If the city keeps expanding apparently a lot of people will be living in the valley instead of the foothills. They'll just keep buying this land up. The history has been that anytime a piece of land is taken into the city they raise the taxes. First thing you know, the taxes will get so high that they can't farm. Then you have no alternative except to sell the land.

For instance, I've got some good friends in the town of Auburn, Washington, near Seattle. They had a dairy farm which they had inherited from their father and mother. The mother and father died during the past few years and the city took in the dairy farm. They assessed the land at \$5,000 an acre. For dairy farming or pasturing cattle it's only worth a few hundred dollars. They told me that they considered going to court to fight this. No one will pay the large price because Seattle has been hurt real bad by the cutting out of the supersonic transport plane. That's Seattle's main industry. When they cut that back, unemployment got to be as high as anyplace in the United States. There's just no demand for property. So they jacked these taxes up. Their tax is \$15,000 a year on the 140 acres.

Q: Is it like that here or is it higher?

D: Oh, it's much lower here. But it shows what happened to this farm. They considered going to court to change the high tax valuation on the land. They can't make any money and they can't sell it.

Q: I guess it's hard for El Paso to expand down into the valley for the same reason. People don't want to pay the higher taxes, especially the people that do farming.

D: Well, what you run into...for instance, there's a fellow, a neighbor we have down here. Did you ever hear of George Orr? Well, you see, George Orr used to have a farm right up there by El Paso and his son Sam run that farm after his father died. Well, when the city took in that area, they had to quit farming because they come out and zoned it for residential and commercial property and the taxes went up.